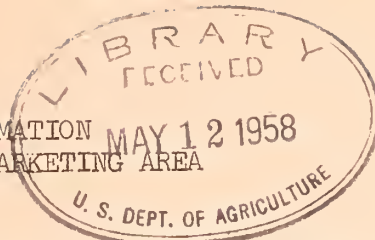


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MILK MARKET INFORMATION
CHATTANOOGA TENNESSEE MARKETING AREA
May 1957



Number 10

Reserve Volume 1

Released Pursuant to \$1000.27 (j) and \$1000.85, USDA-AMS
Federal Order No. 100, 3756 Ringgold Rd., Chattanooga 11, Tennessee
J. B. McCroskey, Market Administrator

MARKET SUMMARY MAY 1957

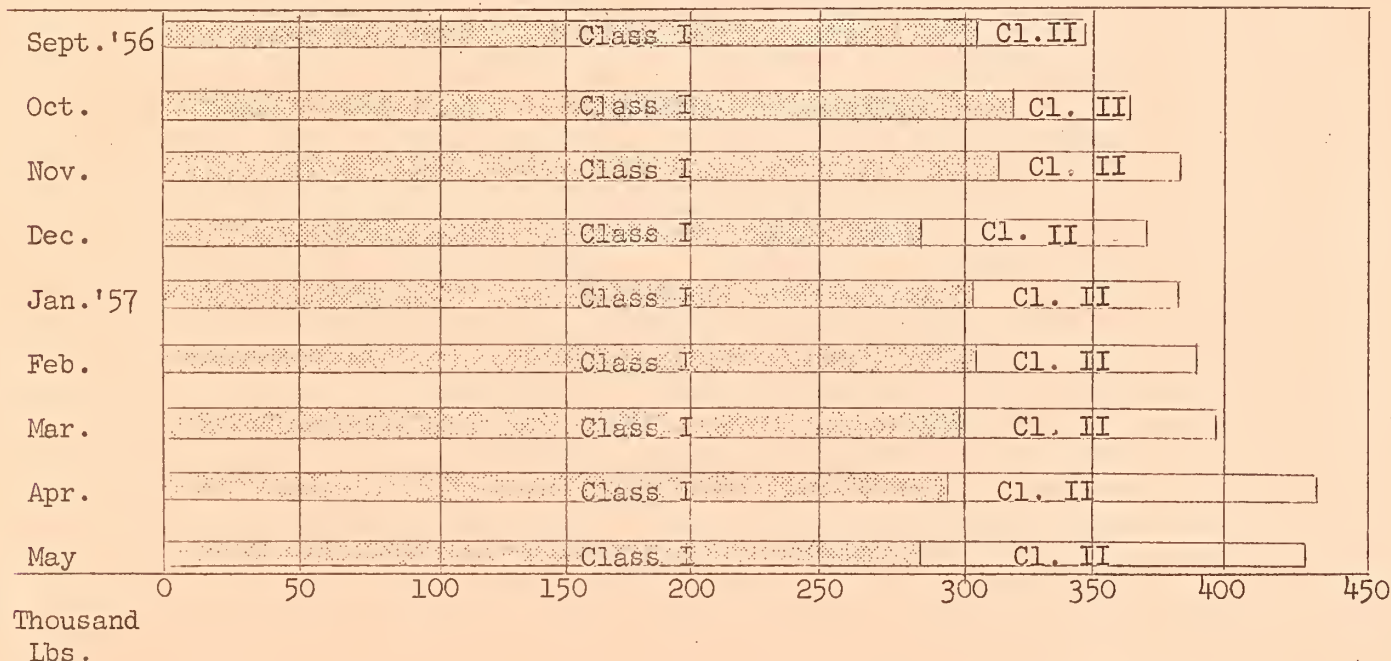
The Chattanooga Tennessee order MINIMUM uniform producer prices per cwt. f.o.b. pool plants for milk testing 4.0% are: Base Milk \$4.88, Excess Milk \$3.07. The butterfat differential is 7.1 cents for each one-tenth of one percent above or below 4.0%. (See page 3)

During May 66.5% of the total producer milk was priced in Class I at \$5.28 per cwt. with a butterfat differential of 7.7 cents and 33.5% was priced in Class II at \$3.11 per cwt. with a butterfat differential of 6.8 cents. The percent of producer skim and butterfat priced in Class I was 66.9% and 57.3% respectively. Base milk was 81.2% and excess milk was 18.8% of the total producer deliveries. All excess milk and 18.2% of base milk was priced in Class II and 81.8% of base milk was priced in Class I. The daily average base delivered was 96.7% of the established base.

The daily average deliveries of producer milk during May decreased 1.5% compared with April and the daily average use of Class I milk decreased 2.8% compared with April.

The Order MINIMUM Class I price for June is \$5.28 (Basic formula \$3.53 plus \$1.75 Class I Differential). The Class I price did not change from last month. The butter-powder formula price of \$3.53 per cwt. being the highest of the four alternate price formulas was used to compute the Class I price for June.

PRODUCER MILK CLASSIFICATION (DAILY AVERAGE)
(September 1956 through May 1957)



ACTIVITIES OF CHECK TESTERS MAY 1957: Plant calls 116; Composite samples tested 2718; Fresh samples tested 3895; Handler finished products tested 165 and Plant Scales checked 7.

COMPARISON OF MILK RECEIPTS AND UTILIZATION

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	May '57	Apr. '57	Mar. '57	Feb. '57
Number of Plants Reporting - Pool	16	16	16	16
Non-Pool	4	4	4	4
<u>GROSS RECEIPTS (DAILY)</u>				
Producer Milk Pounds	429,684	436,110	399,122	384,231
% May '57 compared with:	100.0	98.5	107.7	111.8
Other Source Milk Pounds	23,902	23,064	22,525	24,318
<u>TOTAL MILK POUNDS</u>	453,586	459,174	421,647	408,549
% May '57 compared with:	100.0	98.8	107.6	111.0
<u>GROSS UTILIZATION (DAILY)</u>				
Class I Milk Pounds				
Fluid Milk	252,434	261,010	266,039	273,030
Buttermilk	35,921	36,539	36,787	36,750
Chocolate Milk	6,462	6,726	6,137	6,472
Fluid Skim	5,134	5,307	5,374	5,426
Fluid Creams	2,424	2,153	1,992	1,989
Bulk Milk and Cream to Non-Handlers	309	224	308	567
Class I Shrinkage	2,683	1,946	977	1,340
Inventory Reclassification	(839)	(593)	(470)	(707)
Overstated Sales	-0-	(21)	-0-	-0-
<u>TOTAL CLASS I MILK</u>	304,528	313,291	317,144	324,867
% May '57 compared with:	100.0	97.2	96.0	93.7
Class II Milk Pounds (Used to Produce)				
Butter	1,723	2,312	4,071	4,789
Cheddar and Cottage Cheese	10,664	10,922	8,586	7,930
Powder and Condensed Milk	105,826	105,163	67,555	44,379
Ice Cream	24,761	22,502	17,824	17,681
Inventory Variation	(2,658)	(2,371)	(404)	1,389
Other <u>1/</u>	8,742	7,355	6,871	7,514
<u>TOTAL CLASS II MILK</u>	149,058	145,883	104,503	83,682
% May '57 compared with:	100.0	102.2	142.6	178.1
% Producer Milk of Gross Class I	141.1	139.2	125.8	118.3
% Producer Skim of Gross Class I Skim	140.3	138.3	124.9	117.3
% Producer Bf. of Gross Cl. I Bf.	163.4	163.4	150.7	143.6
% Producer Milk Priced in Class I	66.5	67.5	74.8	79.4

MAY MARKET SUMMARIES - 16 POOL PLANTS AND 4 NON-POOL PLANTS

Classification by Source

	Total		Class I		Class II	
	Pounds	%	Pounds	%	Pounds	%
Producer Milk	13,320,213	94.7	8,854,328	93.8	4,465,885	96.6
Other Source Milk	740,938	5.3	586,019	6.2	154,919	3.4
Total	14,061,151	100.0	9,440,347	100.0	4,620,804	100.0

Classification by Use

	Total		Producer Milk		Other Source	
	Pounds	%	Pounds	%	Pounds	%
Class I	9,440,347	67.1	8,854,328	66.5	586,019	79.1
Class II	4,620,804	32.9	4,465,885	33.5	154,919	20.9
Total	14,061,151	100.0	13,320,213	100.0	740,938	100.0

1/ Includes stockfeed, sour cream, eggnog, overage and shrinkage.

SUMMARY OF COMPUTATION OF UNIFORM PRODUCER PRICES FOR MAY 1957
Based on 20 plant reports prior to audit

	Class %	Milk Pounds	Butterfat Test	Cwt. Price @ Test	Value
Gross Class I		9,440,347	3.638		
Less Other Source		586,019	3.781		
Producer Milk Class I	66.5	8,854,328	3.628372	\$4.993846	\$442,171.50
Gross Class II		4,620,804	5.190		
Less Other Source		154,919	.028		
Producer Milk Class II	33.5	4,465,885	5.369171	4.041036	180,468.02
TOTAL PROD. (Cl. I + Cl. II)	100.0	13,320,213	4.212012		622,639.52
Add Fractional Adjustment					.08
Add Unpriced Milk Allocated to Cl. I					2,297.58
Add Overage Value					-0=
Add Inventory Reclass. Value					120.43
Add $\frac{1}{2}$ Prod.-Settlement Fund Reserve					5,160.51
TOTAL VALUE AT TEST		13,320,213	4.212012		630,218.12
Less Test Over $4\frac{1}{2}\%$ @ 7.1¢ per point		13,320,213	.212012	0.150529	20,050.78
TOTAL VALUE AT $4\frac{1}{2}\%$		13,320,213	4.0		610,167.34
		Pounds	Price- $4\frac{1}{2}\%$	Amount	
Excess Producer Milk - Class I		-	-	-	
Excess Producer Milk - Class II		2,499,463	\$3.11	\$77,733.30	
Total Excess Producer Milk		2,499,463	3.110000	77,733.30	
Less Prod.-Settlement Fund Res. @ $4\frac{1}{2}\%$		2,499,463	.04		999.79
UNIFORM EXCESS PRICE f.o.b. PLANT		2,499,463	3.07		76,733.51
Value of Base Milk (Total less excess)		10,820,750	4.920491		532,434.04
Less Producer-Settlement Fund Reserve		10,820,750	.040491		4,381.43
UNIFORM BASE PRICE f.o.b. PLANT		10,820,750	4.88		528,052.61

MAY 1957 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA PCOL PLANT (0-65 Mile Zone)
BUTTERFAT DIFFERENTIAL 7.1¢ PER POINT

TEST %	PRICE		TEST %	PRICE		TEST %	PRICE	
	BASE	EXCESS		BASE	EXCESS		BASE	EXCESS
3.0	\$4.17	\$2.36	4.0	\$4.88	\$3.07	5.0	\$5.59	\$3.78
3.05	4.2055	2.3955	4.05	4.9155	3.1055	5.05	5.6255	3.8155
3.1	4.241	2.431	4.1	4.951	3.141	5.1	5.661	3.851
3.15	4.2765	2.4665	4.15	4.9865	3.1765	5.15	5.6965	3.8865
3.2	4.312	2.502	4.2	5.022	3.212	5.2	5.732	3.922
3.25	4.3475	2.5375	4.25	5.0575	3.2475	5.25	5.7675	3.9575
3.3	4.383	2.573	4.3	5.093	3.283	5.3	5.803	3.993
3.35	4.4185	2.6085	4.35	5.1285	3.3185	5.35	5.8385	4.0285
3.4	4.454	2.644	4.4	5.164	3.354	5.4	5.874	4.064
3.45	4.4895	2.6795	4.45	5.1995	3.3895	5.45	5.9095	4.0995
3.5	4.525	2.715	4.5	5.235	3.425	5.5	5.945	4.135
3.55	4.5605	2.7505	4.55	5.2705	3.4605	5.55	5.9805	4.1705
3.6	4.596	2.786	4.6	5.306	3.496	5.6	6.016	4.206
3.65	4.6315	2.8215	4.65	5.3415	3.5315	5.65	6.0515	4.2415
3.7	4.667	2.857	4.7	5.377	3.567	5.7	6.087	4.277
3.75	4.7025	2.8925	4.75	5.4125	3.6025	5.75	6.1225	4.3125
3.8	4.738	2.928	4.8	5.448	3.638	5.8	6.158	4.348
3.85	4.7735	2.9635	4.85	5.4835	3.6735	5.85	6.1935	4.3835
3.9	4.809	2.999	4.9	5.519	3.709	5.9	6.229	4.419
3.95	4.8445	3.0345	4.95	5.5545	3.7445	5.95	6.2645	4.4545

SUMMARY OF CHATTANOOGA MILK PRICES (4 PERCENT MILK)

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Month	PRODUCER UNIFORM PRICES				HANDLER CLASS PRICES			
	Per hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf.Dif.	Cwt.	Bf.Dif.	Cwt.	Bf.Dif.
Sept.'56	\$5.00 ^{1/}	-	-	7.2¢	\$5.28	7.7¢	\$3.57	6.9¢
Oct.	5.08 ^{1/}	-	-	7.3¢	5.32	7.8¢	3.60	7.0¢
Nov.	5.02 ^{1/}	-	-	7.4¢	5.35 ^{1/}	7.9¢	3.65	7.1¢
Dec.	4.93 ^{1/}	-	-	7.2¢	5.40 ^{1/}	8.0¢	3.55	6.9¢
Jan.'57	4.97 ^{1/}	-	-	7.1¢	5.37 ^{1/}	7.8¢	3.53	6.8¢
Feb.	4.90 ^{1/}	-	-	7.1¢	5.36 ^{1/}	7.7¢	3.24	6.8¢
Mar.	4.76 ^{2/}	\$5.01 ^{1/}	\$3.14	7.1¢	5.33	7.7¢	3.18	6.8¢
Apr.	4.55 ^{2/}	4.90 ^{1/}	3.09	7.1¢	5.28	7.7¢	3.13	6.8¢
May	4.54 ^{2/}	4.88	3.07	7.1¢	5.28	7.7¢	3.11	6.8¢
June	-	-	-	-	5.28	7.7¢	-	-

SUMMARY OF PRICES USED IN DETERMINING CLASS PRICES

Month	AVERAGE QUOTATIONS			ALTERNATIVE FORMULAS				Highest or Basic Formula
	Chi.92 ^o Butter	Chi.Area Powders	Wisc. Cheese	Cond. Mid-West	Butter-Cheese	Butter-Powder	4 Tenn. Milk mfgs	
	¢ lb.	¢ lb.	¢ lb.	\$-cwt-4%	\$-cwt-4%	\$-cwt-4%	\$-cwt-4%	
May '56	59.170	14.470	33.164	3.40	3.23	3.52		3.52
June	59.125	14.305	33.170	3.40	3.23	3.51		3.51
July	59.208	14.155	33.188	3.41	3.23	3.52		3.52
Aug.	59.462	14.310	33.175	3.44	3.24	3.53	3.08	3.53
Sept.	60.283	14.280	33.172	3.54	3.28	3.57	3.12	3.57
Oct.	60.842	14.225	33.094	3.58	3.30	3.60	3.16	3.60
Nov.	61.881	14.305	33.000	3.63	3.35	3.65	3.21	3.65
Dec.	59.934	14.270	33.062	3.62	3.26	3.55	3.21	3.62
Jan.'57	59.386	14.275	33.250	3.61	3.24	3.53	3.26	3.61
Feb.	59.375	14.235	33.417	3.58	3.24	3.53	3.24	3.58
Mar.	59.375	14.230	33.534	3.53	3.24	3.53	3.18	3.53
Apr.	59.375	14.285	33.218	3.45	3.24	3.53	3.13	3.53
May	59.375	14.265	33.208	3.42	3.24	3.53	3.11	3.53

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE)

Month	GROSS POUNDS MILK ^{3/}					Number of		Deliveries Per Farm -- Pounds			Prod. Milk Test
	Gross Cl. I	Prod. Cl. I	Prod. Rcpts.	Base Rcpts.	Gross Rcpts.	Hdlrs.	Prods.	Prod.	Base	Excess	
Sept.'56	328011	305451	348940	-	378245	21	801	436	-	-	4.43
Oct.	341141	320375	362430	-	391553	21	864	419	-	-	4.51
Nov.	332580	314230	379289	-	401712	21	857	443	-	-	4.58
Dec. ^{4/}	303228	284777	369649	-	393126	20	799	463	-	-	4.51
Jan.'57	322403	303733	377851	-	400561	20	801	472	-	-	4.53
Feb.	324867	304917	384231	-	408549	20	798	481	-	-	4.40
Mar.	317144	298694	399122	345918	421647	20	794	503	436	67	4.36
Apr.	313291	294353	436110	351986	459174	20	797	547	442	105	4.24
May	304528	285623	429684	349056	453586	20	794	541	440	101	4.21

UTILIZATION OF BASE AND EXCESS MILK (DAILY AVERAGE)

	Producer Total		Producer Base		Producer Excess	
	Pounds	%	Pounds	%	Pounds	%
Class I	285,623	66.5	285,623	81.8	-	-
Class II	144,061	33.5	63,433	18.2	80,628	100.0
Total	429,684	100.0	349,056	100.0	80,628	100.0

^{1/} Excludes Premium.^{2/} For statistics only.^{3/} Other Source is Gross minus Producer; Class II is receipts minus Class I; Excess receipts is Producer minus Base.^{4/} Audited figures through December 1956.